Message Text

UNCLASSIFIED

PAGE 01 BEIRUT 02972 150932 Z

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ACTION AID-59

INFO OCT-01 NEA-10 IO-12 SR-02 ORM-03 AGR-20 CIAE-00

COME-00 EB-11 FRB-02 INR-09 NSAE-00 RSC-01 TRSE-00

XMB-07 OPIC-12 CIEP-02 LAB-06 SIL-01 SAL-01 OMB-01

RSR-01 ADP-00 /161 W

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R 150831 Z MAR 73

FM AMEMBASSY BEIRUT

TO SECSTATE WASHDC 1096

UNCLAS BEIRUT 2972

E. O. 11652: N/A

TAGS: EAID, UNRWA, XF

SUBJ: FFP/ PL-480 TITLE II PROGRAM SUBMISSION - UNRWA TA PROGRAM

REF: STATE 44644

1. UNRWA'S FY 74 PROGRAM PROPOSAL (SUBMITTED IN OUR A-50 OF MAR 2) IS THAT THERE BE NO CHANGE IN GENERAL SCOPE OF COMMODITY PORTION OF US REGULAR CONTRIBUTION EXCEPT FOR ALTERATION IN PROPORTION OF FLOUR AND OIL RECEIVED BY AGENCY. AGENCY'S SUGGESTED FY 74 SHIPPING SCHEDULES FOR EACH COMMODITY ARE AS FOLS:

(A) FLOUR (METRIC TONS)

ARRIVAL DATE BEIRUT AQABA ASHDOD TOTAL CUMUL TOT

MID- JUL 73 2,500 6,000 -- 8,500 8,500

MID- AUG 73 2,500 6,000 -- 8,500 17,000

MID- SEP 73 2,500 6,000 6,000 14,500 31,500

MID- OCT 73 2,500 6,000 6,000 14,500 46,000

MID- NOV 73 2,500 6,000 6,000 14,500 60,500

MID- DEC 73 2,500 6,000 6,000 14,500 74,750

MID- JAN 74 -- 6,000 -- 6,000 80,750

MID- FEB 74 -- 5,00 0 -- 5,000 85,750

MID- MAR 74 -- 5,000 4,000 9,000 94,750

MID- APR 74 -- 5,000 -- 5,000 99,750

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PAGE 02 BEIRUT 02972 150932 Z

MID- MAY 74 -- 5,000 -- 5,000 104,750 MID- JUN 74 -- -- -- 104,750 TOTALS: 14,750 62,000 28,000 104,750

(B) OIL (METRIC TONS)

ARRIVAL DATE BEIRUT AQABA ASHDOD TOTAL CUML TOT MID- SEP 73 -- 500 -- 500 500 MID- DEC 73 350 600 500 1,500 2,000 TOTALS: 350 1,100 500 2,000

- 2. UNRWA COMPTROLLER. IN LETTER TO EMBOFF. OBSERVES WOULD " FLOUR PRICES AT THIS TIME ARE AS HIGH AS THEY WILL EVER BE, AS RESULT OF CERTAIN CROP FAILURES OUTSIDE US LAST YEAR AND CONSEQUENT INCREASED DEMAND FOR CEREALS. RECENT DEVALUATION OF US DOL HAS ALSO CLEARLY MANIFESTED ITSELF IN PRICES OF EUROPEAN FLOUR. WHILE EXCHANGE RATES WILL PERHAPS NOT COME DOWN AGAIN, THERE IS GOOD REASON BELIEVE REDUCED DEMAND FOR CERALS WITH NEW CROP YEAR WILL LEAD TO REDUCED CERAL PRICES THIS FALL. AGENCY TRUSTS THAT IF IT IS CONSIDERED QUITE IMPOSSIBLE TO HOLD TO PRICES AND QUANTITY PATTERNS OF US FY 73 CONTRIBUTION, USG WILL GIVE DUE WEIGHT TO FOREGOING FACTORS IN FIXING PRICES AND QUANTITY PATTERSN FOR FY 74. EVEN BETTER, OF COURSE, WOULD BE RECOGNITION BY USG OF AGENCY'S FIXED NEEDS FOR CERTAIN QUANTITIES OF FLOUR AND COOKING OIL, AND AGREEMENT BY USG TO PROVIDE SUCH QUANTITIES IN WAY EEC HAS UNDERTAKEN TO DO."
- 3. COMMENT: UNRWA COMPTROLLER, IN ABOVE LETTER AND THAT OF MAR 1 (ATTACHED OUR A-50), HAS OBVIOUSLY USED EVERY REASONABLE ARGUMENT HE CAN THINK OF TO JUSTIFY FIXING OF LOWEST POSSIBLE PRICES FOR US FY 74 FLOUR AND OIL DONATIONS. AGENCY NOW AWAITS USG DECISION, TRUSTING THAT ITS PROGRAM PROPOSAL WILL RECEIVE SYMPATHETIC CONSIDERATION. COMPTROLLER'S SUGGESTION THAT US EMULATE EEC IN AGREEING SUPPLY UNRWA FIXED QUANTITIES OF FLOUR AND OIL FROM YEAR TO YEAR, REGARDLESS CURRENT WORLD PRICES, IS INTERESTING IN THAT IT SHOWS UNRWA WILLING RISK POSSIBLE LOSS OF HIGHER QUANTITIES IN YEARS WHEN PRICES ARE LOW. WE ASSUME HIS SUGGESTION NOT PARTICULARLY APPEALING TO DEPT AND AID/W, BUT WOULD APPRECIATE CONFIRMATION.

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PAGE 03 BEIRUT 02972 150932 Z

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*** Current Handling Restrictions *** n/a
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^{***} Current Classification *** UNCLASSIFIED

Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

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Disposition Approved on Date: Disposition Authority: n/a Disposition Case Number: n/a Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:

Document Number: 1973BEIRUT02972 Document Source: CORE Document Unique ID: 00 Drafter: n/a

Enclosure: n/a Executive Order: n/a Errors: n/a Film Number: n/a From: BEIRUT

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Review Authority: kelleyw0 Review Comment: n/a Review Content Flags: Review Date: 15 OCT 2001

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Review Exemptions: n/a
Review History: RELEASED <15-Oct-2001 by hagers>; APPROVED <11 FEB 2002 by kelleyw0>

Review Markings:

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN

Status: <DBA CORRECTED> jms 971208 Subject: FFP/ PL-480 TITLE II PROGRAM SUBMISSION - UNRWA TA PROGRAM

TAGS: EAID, XF, UNRWA

To: AID SECSTATE WASHDC

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005